

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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**FORM 8-K**

**CURRENT REPORT**  
**Pursuant To Section 13 OR 15(d) Of The Securities Exchange Act of 1934**

Date of report (Date of earliest event reported)

**January 15, 2014**

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**PATRICK INDUSTRIES, INC.**

(Exact name of registrant as specified in its charter)

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**Indiana**

(State or other jurisdiction  
of incorporation)

**000-03922**

(Commission  
File Number)

**35-1057796**

(IRS Employer  
Identification Number)

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**107 West Franklin, P.O. Box 638, Elkhart, Indiana**

(Address of Principal Executive Offices)

**46515**

(Zip Code)

Registrant's Telephone Number, including area code

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**(574) 294-7511**

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(Former name or former address if changed since last report)

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)  
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))  
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 7.01 Regulation FD Disclosure.**

- a) Slides for CJS Securities 14<sup>th</sup> Annual “New Ideas for the New Year” Investor Conference on January 15, 2014 as contained in Exhibit 99.1.

**Item 9.01 Financial Statements and Exhibits.**

- (d) Exhibits  
Exhibit 99.1 - Slides for CJS Securities Investor Conference

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**PATRICK INDUSTRIES, INC.**

(Registrant)

Date: January 15, 2014

By: /s/ Andy L. Nemeth

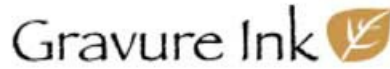
Andy L. Nemeth  
Executive Vice President – Finance and  
Chief Financial Officer



**CJS SECURITIES**  
**14<sup>TH</sup> ANNUAL "NEW IDEAS FOR THE NEW YEAR"**  
**INVESTOR CONFERENCE**  
**NEW YORK, NEW YORK**  
**JANUARY 15, 2014**

**NASDAQ: PATK**

# **PATRICK** INDUSTRIES, INC.



## Forward-Looking Statements

*This presentation contains certain statements related to future results, or states our intentions, beliefs and expectations or predictions for the future which are forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from either historical or anticipated results depending on a variety of factors. Further information concerning the Company and its business, including factors that potentially could materially affect the Company's financial results, is contained in the Company's filings with the Securities and Exchange Commission.*

*This presentation includes market and industry data, forecasts and valuations that have been obtained from independent consultant reports, publicly available information, various industry publications and other published industry sources. Although we believe these sources are reliable, we have not independently verified the information and cannot make any representation as to the accuracy or completeness of such information.*

*We disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in this presentation or to reflect any change in our expectations after the date of this presentation or any change in events, conditions or circumstances on which any statement is based.*

# Patrick Industries Overview

- Headquartered in Elkhart, Indiana
- Leading national supplier serving the RV, Manufactured Housing & Industrial markets
- 16 manufacturing and 14 distribution centers
- Approximately 2,500 employees
- Strong leadership team & entrepreneurial culture
- Strong customer relationships



## RV market: 73% of 9M'13 revenues

- Includes laminated panels, countertops, wrapped mouldings, cabinet doors, wiring/electrical/plumbing, furniture, interior passage doors, exterior graphics, interior lighting, wall coverings, fiberglass bath fixtures, and mattresses



## MH market: 16% of 9M'13 revenues

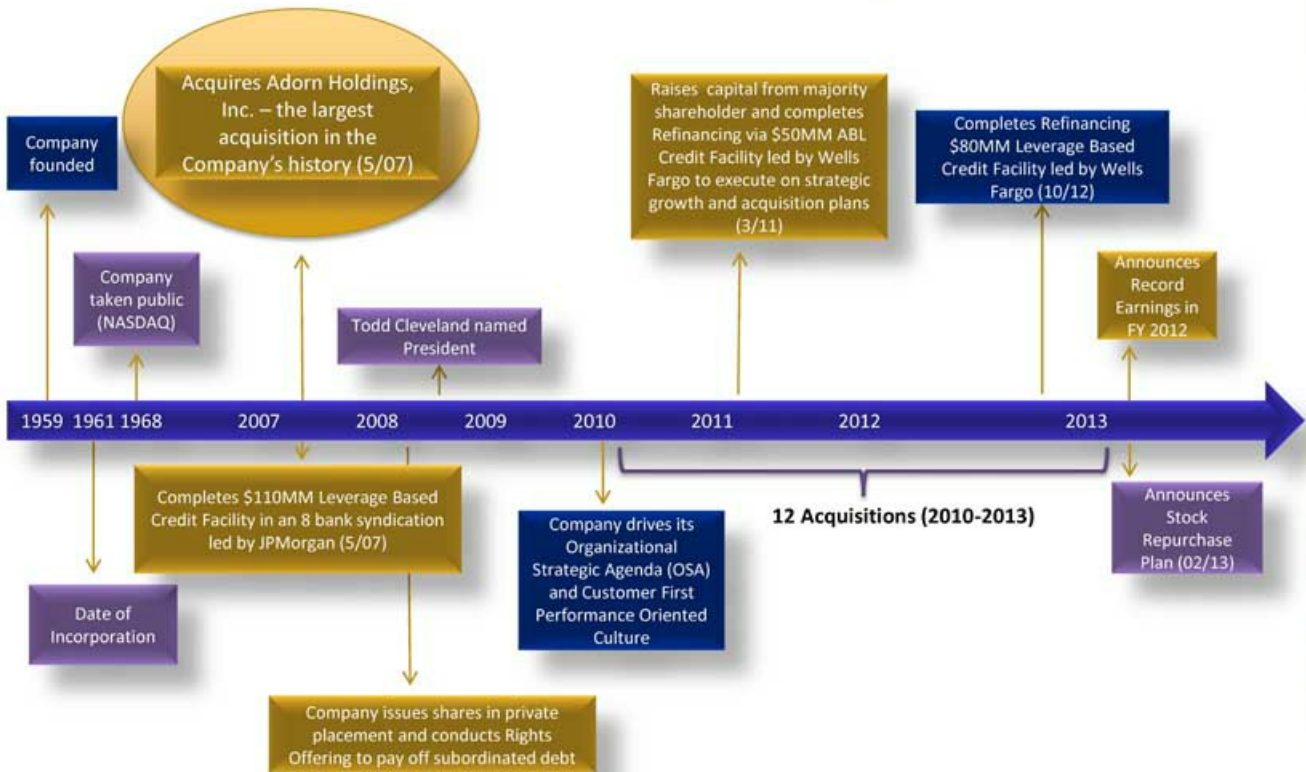
- Includes wall/ceiling panels, pressed & hardwood doors, wiring/electrical/plumbing, cement siding, drywall & roofing products, lighting, wall coverings, and bath tub and shower surrounds



## Industrial markets: 11% of 9M'13 revenues

- Includes retail and commercial fixtures, kitchen cabinets, solid surface countertops, and residential furniture

# Patrick History



# Patrick Facility Profile



Patrick's nationwide network of manufacturing and distribution centers reduces in-transit delivery time and cost to our customers.

**# of Centers (as of 9/29/13)**

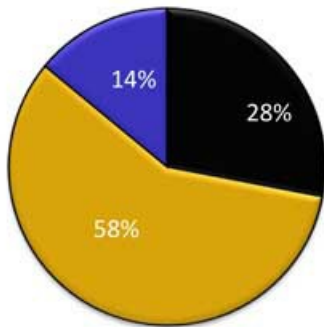
Manufacturing	16
Distribution	14



# Sales Concentration By Market

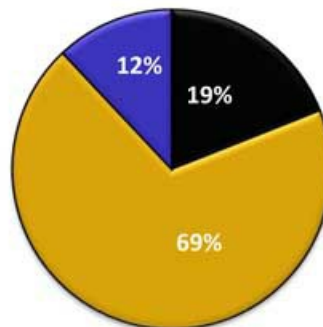
*The increase in wholesale unit shipments in the RV market since 2010, new product introductions, and the impact of acquisitions over the last 3 years contributed to an increase in our RV market sales concentration.*

2010 Actual Industry Sales Breakdown  
\$278.2 million



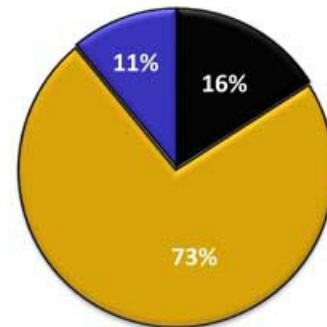
■ MH ■ RV ■ Industrial

2012 Actual Industry Sales Breakdown  
\$437.4 million



■ MH ■ RV ■ Industrial

Nine Months 2013 Actual Industry Sales Breakdown  
\$448.3 million

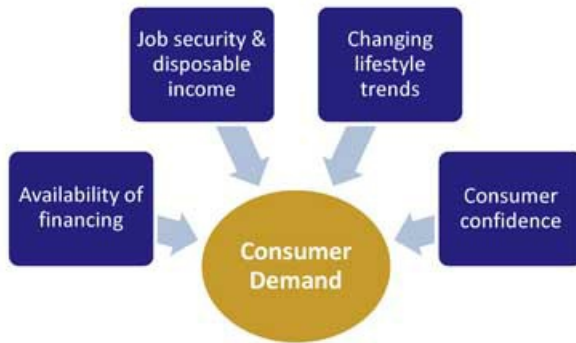


■ MH ■ RV ■ Industrial



# RV Market Growth Factors

## Drivers of Consumer Demand



## Market Growth

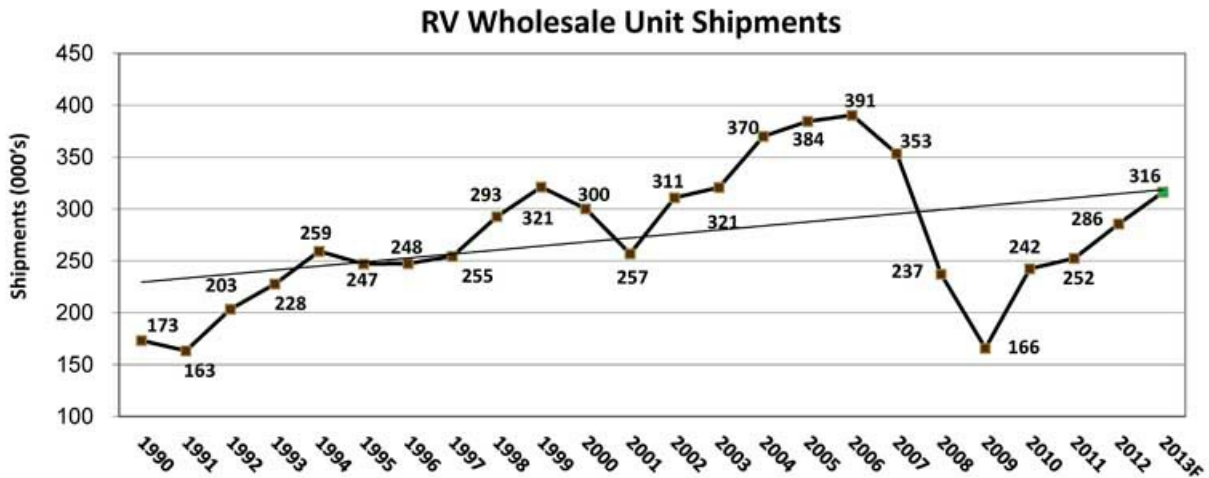


- RV sales will continue to benefit from the aging baby-boomers.
- Buyers aged 35 to 54 are the largest segment of RV owners.
- RV ownership is highest in the age range of 55 and 70.
  - Number of consumers between the ages of 55 and 70 projected to reach 56 million by 2020 (27% higher than in 2010)
- 70% of current RV owners plan to purchase another RV to replace their current unit.
- Younger former owners (aged 18–34) are more likely than older former owners to purchase another RV.

Source: Recreation Vehicle Industry Association

# RV Industry Shipment Trends

*After a dramatic rebound in 2010 from a 58% decline in unit shipments in the period of 2006-2009, the RV industry has experienced steady growth.*

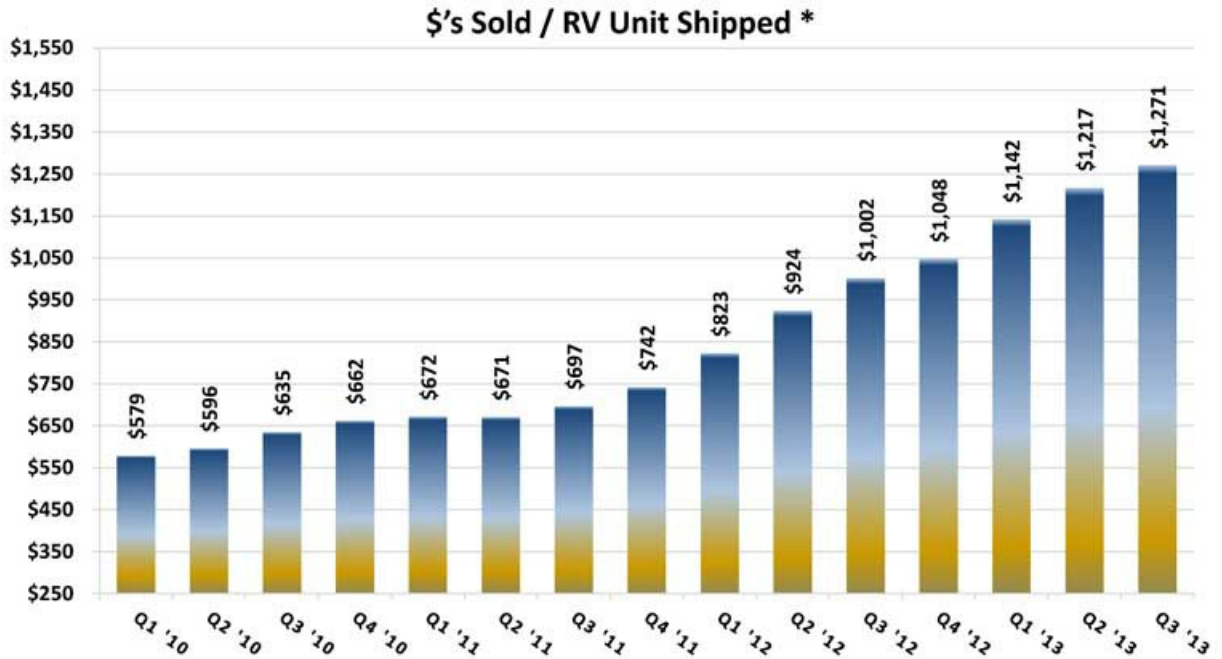


- 72% increase in unit shipments from 2009 to 2012
- RVIA projects an approximate 11% increase in unit shipments in 2013.

Source: 1990–2013 Forecast(F): Recreation Vehicle Industry Association

# RV Content Per Unit

With market share gains, new products and extension growth, and acquisitions, our RV unit content has grown 54% since Q1 of '12.



\*Based on TTM Average



# MH Market Growth Factors

## Drivers of Consumer Demand



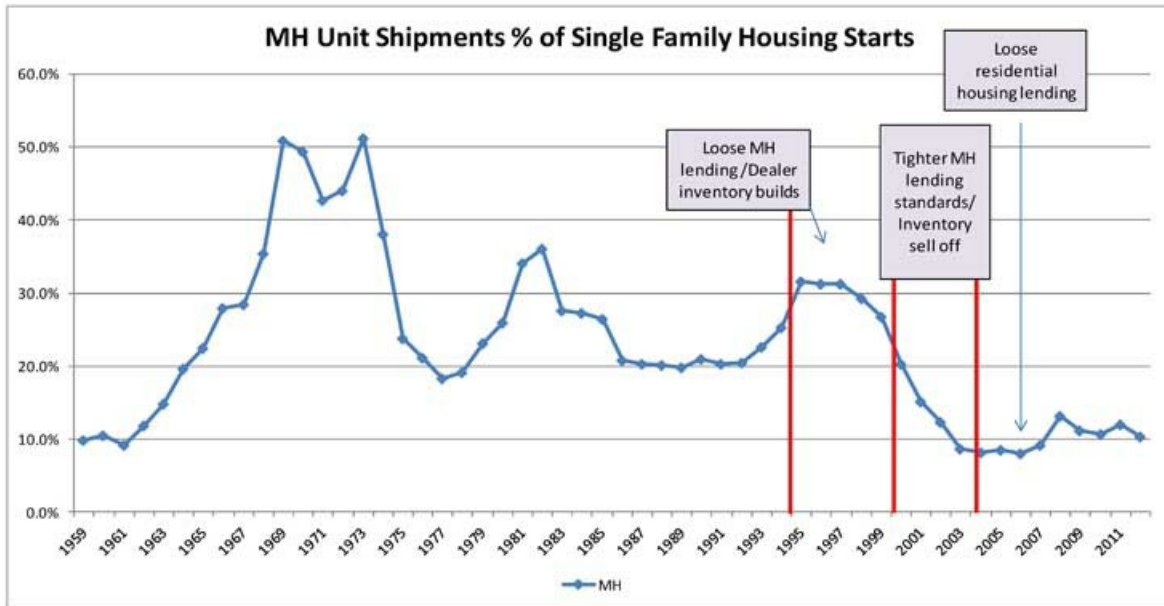
## Market Growth



- There is upside potential, with little downside risk, if volumes maintain their historical relationship with new housing starts.
  - Unit shipments have averaged about 10% of single-family housing starts over the last 10 years.
- Potential gain from the recalibration of quality credit standards, job growth, and the significant numbers of consumers who have been forced into transitional housing who will most likely return to more permanent housing
- Average cost per square foot of a MH is \$42 vs. \$86 for a site-built home
- Average retail price of \$61,900 for 1,475 square foot MH
- Demand likely to increase for quality, affordable housing

Source: Manufactured Housing Institute

# MH Shipment Trends / Residential Housing Starts



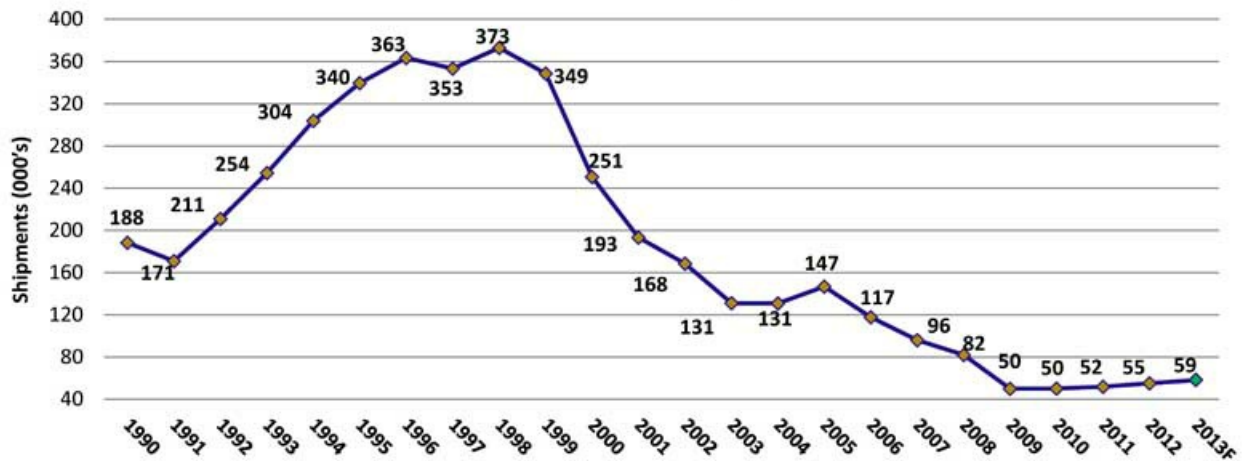
<b>Average Since 1959:</b>	<b>22.9%</b>	<b>Average Since 2000:</b>	<b>11.4%</b>	<b>Average Since 2005:</b>	<b>10.4%</b>
<b>30 Year Average:</b>	<b>19.0%</b>	<b>20 Year Average:</b>	<b>17.3%</b>	<b>10 Year Average:</b>	<b>10.0%</b>
<b>5 Year Average:</b>	<b>11.4%</b>	<b>3 Year Average:</b>	<b>11.0%</b>	<b>Fiscal 2012</b>	<b>10.3%</b>

\*Based on data from the Manufactured Housing Institute and U.S. Census Bureau

# MH Shipment Trends

*The MH Industry continues to recover at a slower pace after suffering from conditions very similar to the residential housing crisis in 2008.*

## MH Wholesale Unit Shipments



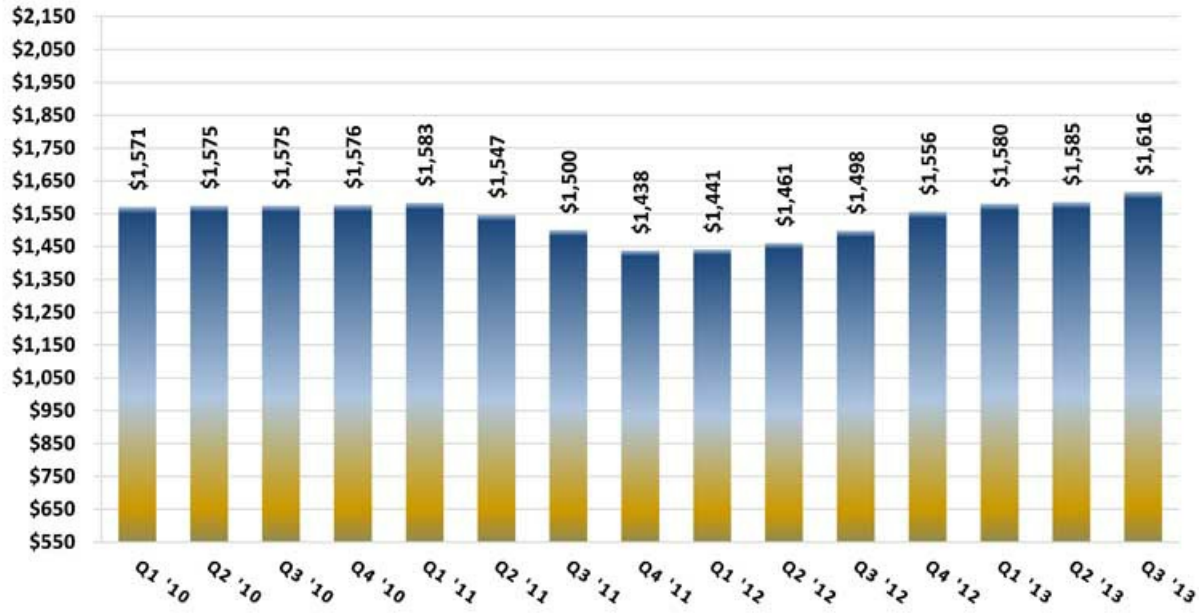
- 10% increase in unit shipments from 2009-2012
- Patrick forecasts an approximate 7% increase for industry unit shipments for full year 2013.

Source: 1990-2012: Manufactured Housing Institute; 2013 Company Forecast(F)

# MH Content Per Unit

*Our content per unit shipped continued to improve from Q4 of '11.*

\$'s Sold / MH Unit Shipped \*



\*Based on TTM Average





# Industrial Market Growth Factors

## Drivers of Consumer Demand



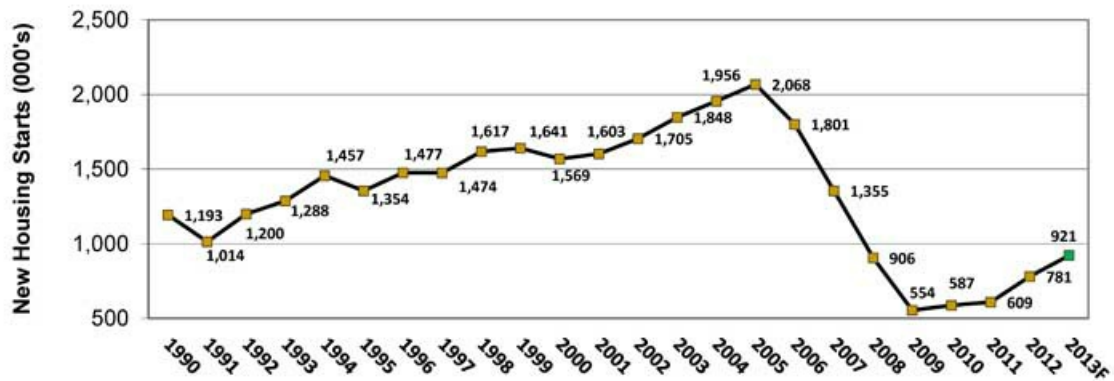
## Market Growth



- 60% of Company's industrial revenue base tied directly to residential housing market
- National Association of Home Builders (NAHB) predicts an 18% increase in total housing starts for full year 2013 over the prior year (as of December 28, 2013).
- Patrick has targeted certain sales efforts towards industrial market segments less directly tied to new residential construction, including the retail fixture, furniture, and countertop markets.

# New Housing Starts Trends

*We estimate that approximately 60% of our industrial revenue base is directly tied to the residential housing market which has started to show signs of a recovery.*



- 41% improvement in housing starts from 2009-2012, with an additional 18% growth estimated in 2013 vs. 2012
- Despite recent growth, housing starts remain well below historical levels.

Source: 1990-2012: U.S. Census Bureau; 2013F: NAHB Forecast (latest available as of December 28, 2013)

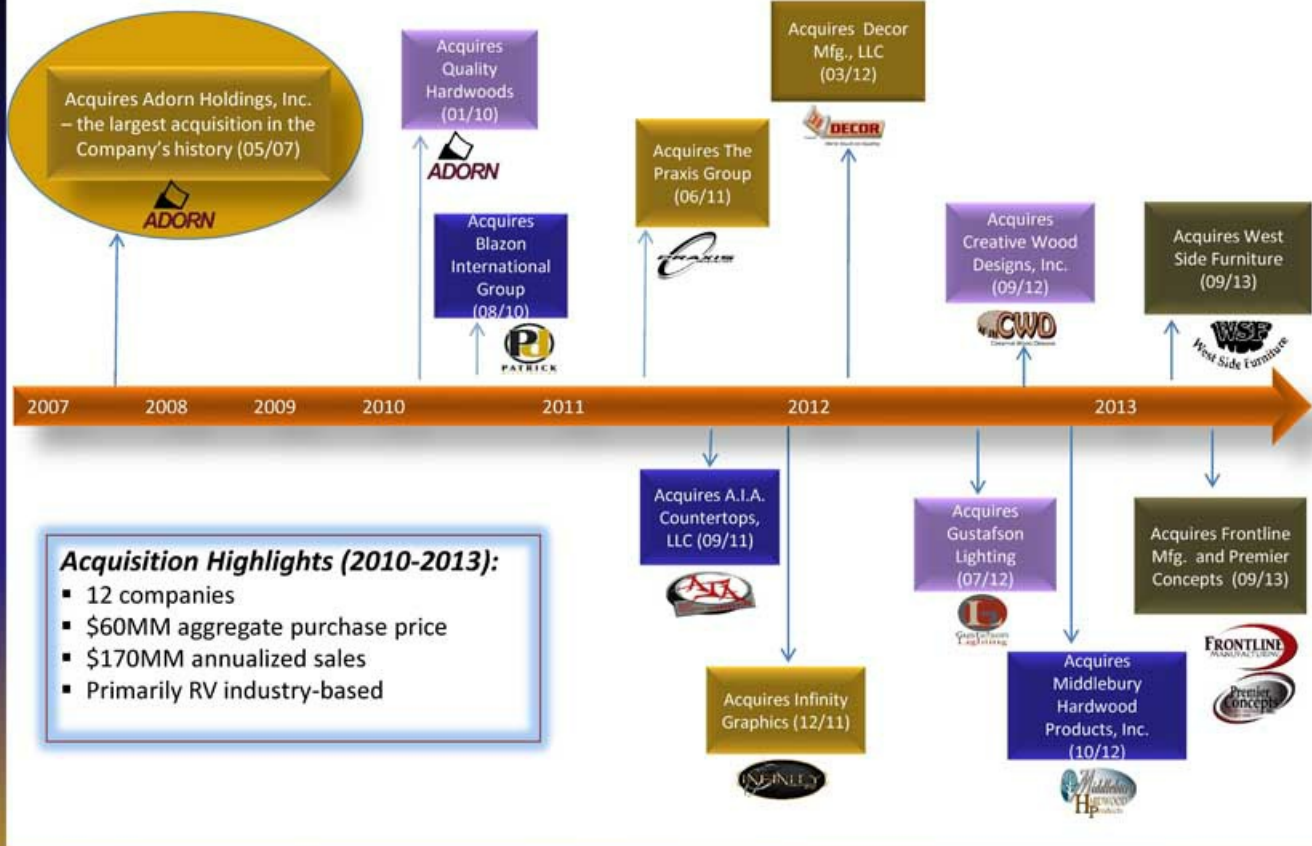
## **Capital Allocation and Key Value Drivers**

- Capital Allocation
  - Acquisitions
  - Stock buyback program
  - Leverage position
  - Investments in infrastructure and capital expenditures
- Key Value Drivers
- Executive Compensation

# Acquisition Strategy

- **We target organizations with:**
  - Solid management teams
  - High quality product lines
  - Strong customer and supplier relationships
- **Patrick provides the acquired businesses with:**
  - Opportunity to allow the creative entrepreneurial spirit of each to continue to thrive
  - Capital and administrative support, and operational support where needed
- **Our goals are to:**
  - Introduce new and innovative product lines that complement our core competencies
  - Capitalize on the opportunity to cross sell our extensive product catalog to our customer base
  - Increase our content per unit
  - Leverage our management capabilities
  - Broaden end market exposure beyond RV and MH markets

# Growth Through Acquisition






## Acquisition Summary (2010 – 2013)

Date Completed	Business	Net Purchase Price	Annualized Sales*	Industry	Products
01/2010	 Quality Hardwoods Sales	\$2.0 MM	\$2 MM	RV	Cabinet Doors
08/2010	 Blazon International Group	\$3.8 MM	\$20 MM	RV & MH	Wiring, electrical, plumbing, and other building products
06/2011	 The Praxis Group	\$0.5 MM	\$4 MM	RV	Painted countertops, foam products, and furniture products
09/2011	 A.I.A. Countertops, LLC	\$5.5 MM	\$20 MM	RV & Industrial	Solid surface countertops, backsplashes, tables, and signs
12/2011	 Infinity Graphics (formerly Performance Graphics)	\$1.3 MM	\$2 MM	RV & Industrial	Designer, producer, and installer of exterior graphics
03/2012	 Décor Mfg., LLC	\$4.3 MM	\$17 MM	RV	Laminated and wrapped products
07/2012	 Gustafson Lighting	\$2.8 MM	\$12 MM	RV	Interior and exterior lighting products, ceiling fans and accessories
09/2012	 Creative Wood Designs, Inc.	\$3.0 MM	\$18 MM	RV	Hardwood furniture including interior hardwood tables, chairs, and dinettes
10/2012	 Middlebury Hardwood Products, Inc.	\$19.8 MM	\$33 MM	RV, MH & Industrial	Hardwood cabinet doors and other hardwood products

\*Projected Annualized Sales as of the acquisition date

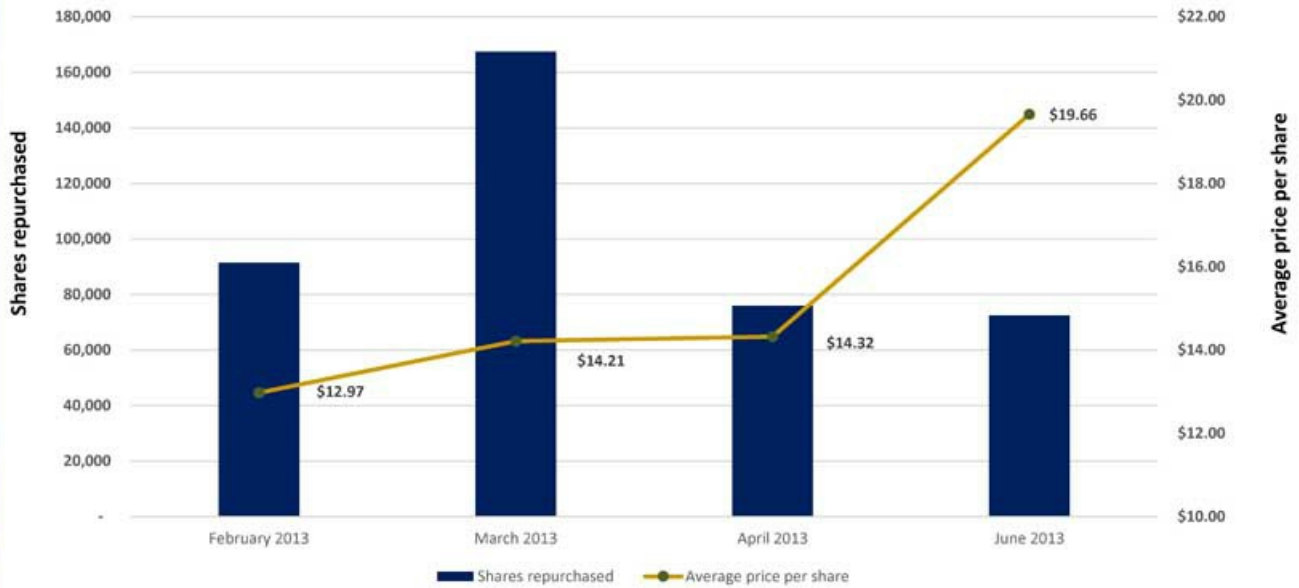
## Acquisition Summary (2010 – 2013) (continued)

Date Completed	Business	Net Purchase Price	Annualized Sales*	Industry	Products
09/2013	 Frontline Mfg., Inc.	\$5.2 MM	\$15 MM	RV, MH & Industrial	Fiberglass bath fixtures including tubs and showers
09/2013	 Premier Concepts, Inc.	\$2.6 MM	\$10 MM	RV, MH & Industrial	Solid surface countertops
09/2013	 West Side Furniture	\$8.7 MM	\$17 MM	RV	Recliners, mattresses, other furniture products

\* Projected Annualized Sales as of the acquisition date

# Stock Buyback

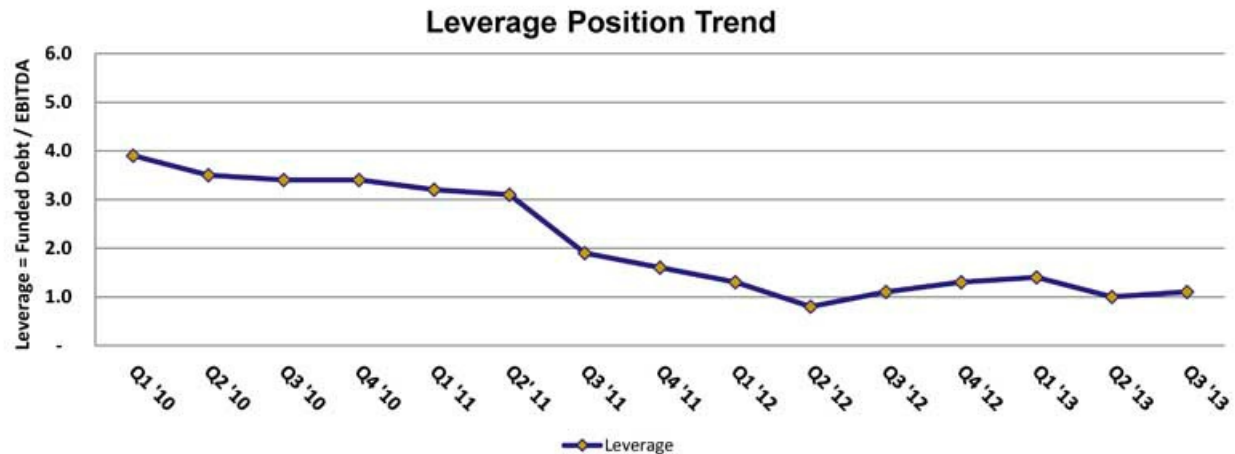
*In February 2013 we announced a \$10 million stock buyback program. Through December 31, 2013 we have repurchased 407,330 shares at an average price of \$14.92.*





# Leverage Position

*Our leverage position has improved significantly since the recession and we have ample cushion to increase leverage if needed for future growth opportunities.*



Since year-end 2009, despite spending \$59.5 million on acquisitions, \$16.9 million on capital expenditures, and \$6.1 million on share repurchases, our net debt has increased by only \$10.3 million, reflecting our enhanced profitability, focus on cash management, and our ability to leverage our operating model and integrate acquisitions.

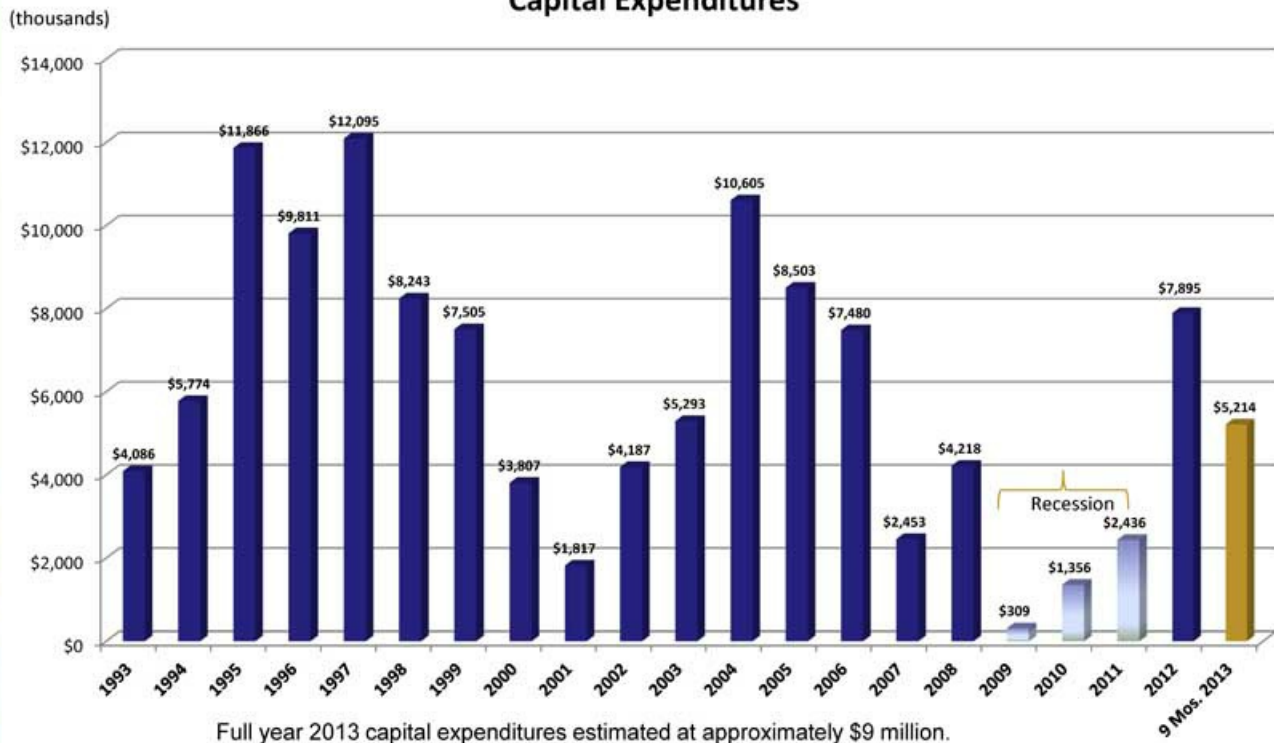
Note 1: Consolidated Total Leverage (2012 Credit Facility) = Consolidated Total Indebtedness (including undrawn letters of credit) divided by Consolidated Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA")

Note 2: Leverage covenant pursuant to the 2012 Credit Facility is measured and reported on a quarterly basis and is not to exceed 3.50 to 1.00 for the 12-month period ending on such quarter-end.

# Trended Capital Expenditures

*We will continue to invest in our infrastructure and flex our capital spends where necessary to align with our demand levels.*

## Capital Expenditures



# Key Value Drivers and Risks

## Key Value Drivers:

- Strong balance sheet and cash flows: modest capital requirements and improved cash flow generation
- Market share gains in all three industries
- Competitive advantages: Significant inventory buying power; credibility with business partners; long-standing customer relationships; short turnaround/delivery times
- Ability to quickly adapt to cycle changes
- Overhead cost absorption; leverage operating expenses based on sales volume; flexible labor force

## Challenges/Risks:

- Commodity pricing movements / competitive pricing pressures
- Capacity – constraints on equipment vs. floor space
- Production labor market – high turnover, competitive market, lack of available talent
- Acquisitions: pipeline smaller, increased valuations

## **Executive Compensation – Key Metrics**

- Heavily weighted to Company performance and focused on variable pay component of incentives
- Utilize peer group data, general industry and durable goods industry data, and Company and individual performance to evaluate/support compensation decisions
- Objective based performance criteria which links compensation to satisfying certain objectives based on short-term and long-term goals
  - Short Term Incentive: Achievement of specific financial and non-financial goals:
    - Revenue & EBITDA targets (Company performance)
    - Financial, strategic, and leadership and talent objectives (individual performance)
  - Long Term Incentive: Achievement of financial goals
- Company stock ownership requirement for executives

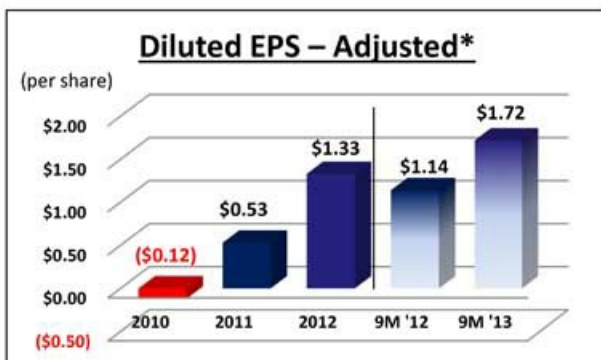
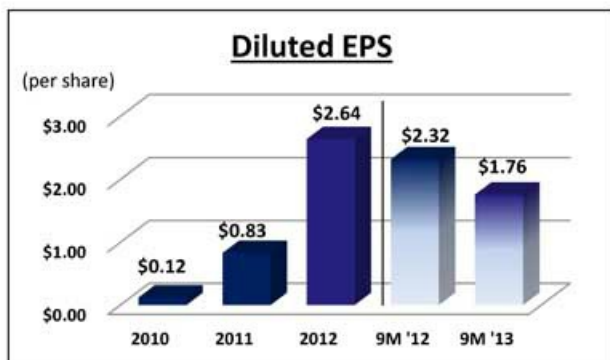
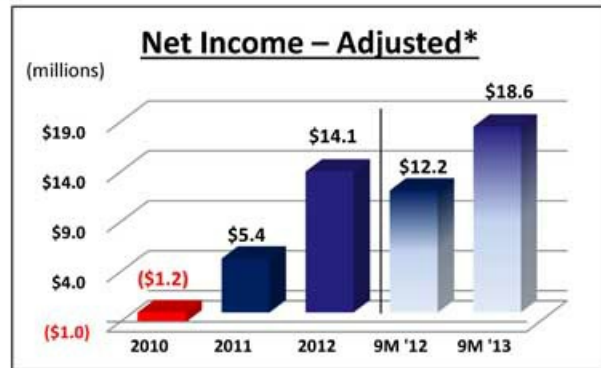
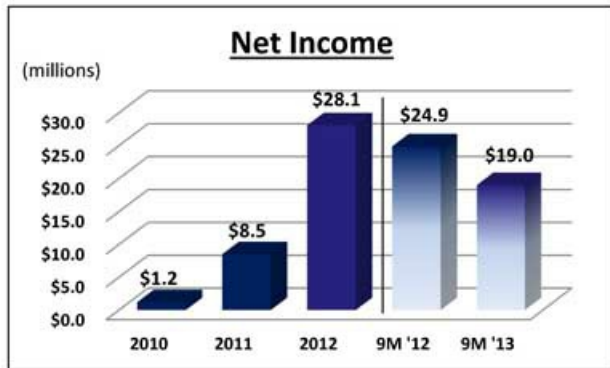
# Summary Financial Statistics

# Net Sales



- **3Q'13 sales increased 29.8%**
  - RV: 35% revenue increase & 70% of 3Q'13 sales
  - MH: 16% revenue increase & 18% of 3Q'13 sales
  - Industrial markets: 25% revenue increase & 12% of 3Q'13 sales
- **9 Months '13 sales increased 35.3%**
  - RV: 44% revenue increase & 73% of 9M'13 sales
  - MH: 12% revenue increase & 16% of 9M'13 sales
  - Industrial markets: 25% revenue increase & 11% of 9M'13 sales

## Net Income & Diluted EPS Summary (Reported / Adjusted) 2010-Nine Months 2013



\*Reflects adjustments for differences in Patrick's tax position in 2010-2012 vs. 2013, as well as for certain other items in each period to assist in assessing our ongoing performance. See supplementary schedules on page 30 for reconciliation to reported GAAP net income and diluted EPS.

## Supplementary Schedules

(\$ in thousands)	2010	2011	2012	3Q '12	9M '12	3Q '13	9M '13
Reported net income (GAAP)	\$ 1,226	\$ 8,470	\$ 28,095	\$ 6,554	\$ 24,878	\$ 5,452	\$ 19,028
Adjustment factors:							
(Gain) loss on sale of fixed assets & acquisition of business	(2,866)	(244)	(238)	(234)	(237)	6	(424)
Stock warrants revaluation	(261)	699	1,731	(73)	1,731	0	0
Receivable recovery	0	0	0	0	0	(262)	(262)
Income taxes (credit)	(81)	(163)	(6,823)	0	(6,650)	2,982	11,662
Adjusted income (loss) before income taxes (credit)	(1,982)	8,762	22,765	6,247	19,722	8,178	30,004
Adjusted income taxes (credit) *	(753)	3,330	8,651	2,211	7,494	2,895	11,402
Adjusted net income (loss) (Non-GAAP)	\$ (1,229)	\$ 5,432	\$ 14,114	\$ 4,036	\$ 12,228	\$ 5,283	\$ 18,602

(per share data)	2010	2011	2012	3Q '12	9M '12	3Q '13	9M '13
Reported diluted net income per share (GAAP)	\$ 0.12	\$ 0.83	\$ 2.64	\$ 0.60	\$ 2.32	\$ 0.51	\$ 1.76
Net EPS impact due to adjustment factors above	(0.24)	(0.30)	(1.31)	(0.23)	(1.18)	(0.02)	(0.04)
Adjusted diluted net income (loss) per share (Non-GAAP)	\$ (0.12)	\$ 0.53	\$ 1.33	\$ 0.37	\$ 1.14	\$ 0.49	\$ 1.72

\*Utilized full year estimated effective tax rate of 38% for the nine month periods and for 2010, 2011 and 2012; utilized the estimated effective tax rate of 35.4% for the third quarters ended 2012 and 2013.

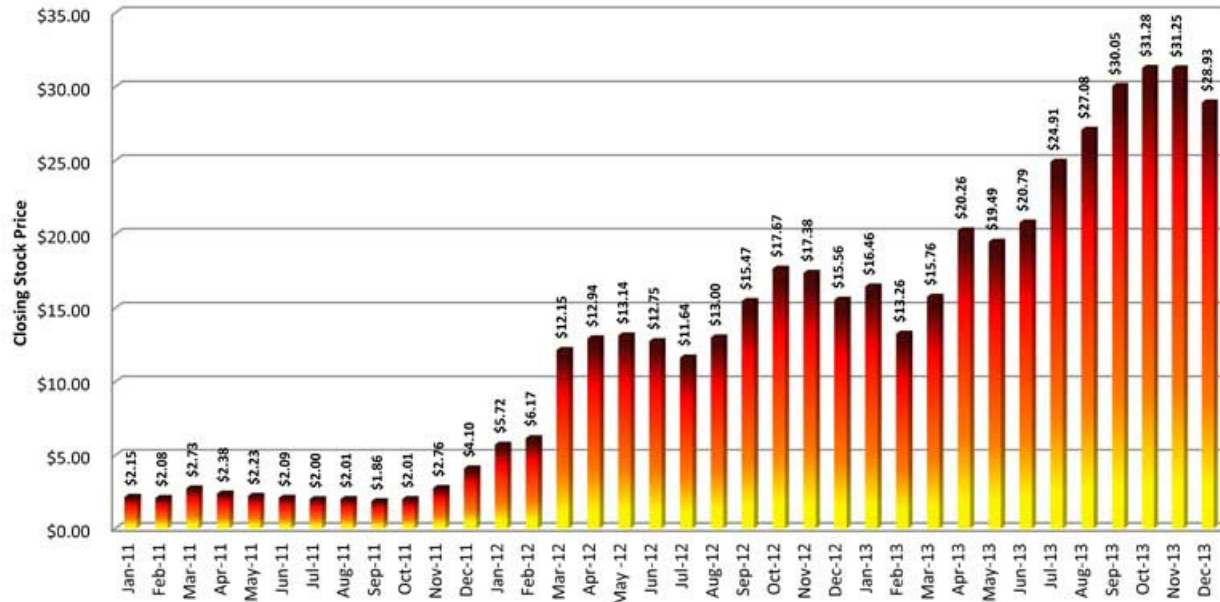
*The Company reports its financial results in accordance with accounting principles generally accepted in the United States ("GAAP" or referred to herein as "reported"). However, management believes that certain non-GAAP financial measures provide users with additional meaningful financial information that should be considered when assessing our ongoing performance. Management also uses these non-GAAP financial measures in making financial, operating and planning decisions and in evaluating the Company's performance. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company's reported results prepared in accordance with GAAP. Our non-GAAP financial information does not represent a comprehensive basis of accounting.*



# Stock Price Trend 2011-2013

*Our stock price performance has trended consistent with our operating and financial results.*

## Monthly Closing Stock Price Trend



Patrick has 10.6 million shares outstanding and a market capitalization of approximately \$306 million as of December 31, 2013.

**Questions?**

## Information Contacts

**Andy Nemeth**

Chief Financial Officer  
(574) 294-7511  
nemetha@patrickind.com

**Julie Ann Kotowski**

Director of Investor Relations  
(574) 294-7511  
kotowskj@patrickind.com

## Analyst Coverage

**CJS Securities**

Daniel Moore  
dmoore@cjs-securities.com